

Airports and economic development

The local general aviation airport is fast becoming the principal access route from a community to the nation and world.

As an important part of our statewide transportation network, local airports such as Burlington Municipal Airport play a critical role in fostering business growth and economic development.

Convenient access to air transportation allows businesses to quickly move goods and key personnel from one site to another, saving valuable time and increasing productivity.

A recent study by the Wisconsin Department of Transportation (WisDOT) shows that between 1997 and 2001, over 85% of new or expanded manufacturing businesses were located within 15 miles of an airport capable of handling corporate jets. These manufacturers provided 34,064 jobs for Wisconsin residents.

The local airport also provides facilities for emergency medical flights, law enforcement, agricultural spraying, pilot training, recreational flying and many other important community services.

Communities that are readily accessible by air transportation are at a competitive advantage and may realize economic and quality of life benefits that can affect every citizen.



Airport location

Burlington Municipal Airport (BUU) is located in Racine County, northwest of the City of Burlington on WIS 11. The city is just 30 minutes from Milwaukee, Racine and Kenosha, and only 90 minutes from downtown Chicago or Madison.

Burlington's proximity to I-94 to the east and I-90 to the west as well as four state trunk highways (WIS 11, 36, 83 and 142) make the city an excellent location choice for new and expanding businesses.



Burlington profile

Area population

City of Burlington – 9,936
Racine County –188,831

Racine County employment –79,399
County per capita income - \$27,712
State per capita income - \$26,284

Major employers in area

- **Nestle' Chocolate and Confections**
- **Emerson Electric Company**
- **S.C. Johnson and Sons**
- **Case Corporation**
- **Modine Manufacturing Co.**
- **Ball-Foster Glass Containers Co.**
- **J.W. Peters & Sons, Inc.**
- **Lavelle Industries**

Sources: U.S. Census Bureau and the Southeastern Wisconsin Regional Planning Commission (SEWRPC)

Burlington Municipal Airport is located on 240 acres and has one paved runway and one turf runway, a terminal building, a fixed base operator building and a self-fueling facility as well as corporate, individual and T- hangars.

The primary runway (11/29) is 4,300 feet long and 75 feet wide and is constructed of asphalt. It has a Medium Intensity Runway Lighting system (MIRLs) with a full parallel taxiway.

The primary runway also has Visual Approach Slope Indicators (VASIs) and Runway End Identifier Lights (REILs) at each runway end. The turf runway (01/19) is 2,600 feet long and 130 feet wide.



Airport activity and facilities

Owned and operated by the City of Burlington, Burlington Municipal Airport is a public-use airport and is classified as a General Utility airport in the *Wisconsin State Airport System Plan: 2020*.

General Utility airports are designed to serve all small general aviation single and twin-engine aircraft with a maximum takeoff weight of 12,500 pounds or less. Typically, these aircraft are used for business and charter flying and for personal reasons.

In 2000, the airport recorded over 52,000 operations (take-offs and landings) and served 110 based aircraft, including 100 single-engine and 10 multi-engine aircraft.

Navigational landing aids at the airport include a rotating beacon, segmented circle with lighted wind cone, and a very high frequency omni-range station (VOR). The airport has a non-precision VOR or GPS instrument approach to Runway 29 and a second VOR or GPS circling approach.

An Automated Weather Observing System (AWOS) was installed at the airport in 2000 to provide 24-hour weather information for aircraft pilots using the airport under adverse weather conditions.



The economic impact of Burlington Municipal Airport

The WisDOT-Bureau of Aeronautics recently completed a study of the contribution of Burlington Municipal Airport to the local and state economy.

The economic impact of Burlington Municipal Airport is the *economic output (sales)*, *employment* and *wage income* that can be attributed directly and indirectly to the airport.

Economic impacts measure the importance of an airport as a business in terms of the employment that it supports and the goods and services that it consumes.

The results of the study indicate that Burlington Municipal Airport provided \$24.9 million in economic output, supported 379 jobs and contributed \$11.8 million in wage income to the local and state economy in 2000.

The methodology used to estimate the contribution of the airport to the local and state economy is the WisDOT Airport Benefit-Cost (ABC) System.

The WisDOT ABC System is a Microsoft Access database application for evaluating the economic impact of airports and airport improvement projects.



The WisDOT ABC System was developed using the guidelines established by the Federal Aviation Administration (FAA) in the document "*Estimating the Regional Economic Significance of Airports*", U.S. DOT, September 1992.

The WisDOT ABC System uses data from the following three primary sources:

- Airport activity and business survey data obtained from airport management, six businesses located on the airport and three aviation-related businesses located off-site.
- Data from the *U.S. Bureau of Economic Analysis* on industry employment, wages and sales.
- Regional economic multipliers obtained from the industry transaction tables in the Impact Analysis for Planning Model (IMPLAN) computer model.

IMPLAN is a computer model, produced for WisDOT by the Minnesota IMPLAN Group, Inc., that estimates purchases and sales between various sectors of the Wisconsin economy.

The model can produce statewide results or focus on specific counties and groups of counties. Multipliers for two sectors were used in the analysis.

The regional economic multipliers used in this study for the Air Transportation sector are 1.36 (sales), 1.49 (employment) and 1.37 (wages.)

Multipliers used for the retail/hotel/restaurant sector are 1.38 (sales), 1.18 (employment) and 1.35 (wages.)

The economic contribution of Burlington Municipal Airport is comprised of three types of impacts: *Direct*, *Indirect (Visitor Spending)* and *Induced (Multiplier Effect)*. Each of these impacts is expressed in terms of their effect on economic output (sales), employment (jobs) and wage income.



Economic Impact

Burlington Municipal Airport (BUU)
Burlington, WI

Direct impacts

The direct effect of Burlington Municipal Airport on the local economy reflects the jobs, payroll and sales associated with activity at the airport. This includes the management and operation of the airport as well as the businesses providing aircraft maintenance, fueling, storage, rental, charter sales and leasing activities.

In 2000, the direct effect of the airport on the local economy totaled 312 employees, a payroll of over \$9.9 million and over \$21 million in economic output.

Indirect impacts

The visitor spending, or indirect effect of the airport, is the amount of money flowing into the local economy from air passengers who reside outside the county. These visitors spend money on lodging, meals, ground transportation and retail purchases within the county.

The \$1.6 million of visitor spending (sales) in 2000 supported 52 additional jobs with a payroll of over \$722,000.

Induced impacts

The multiplier or induced effect represents the downstream effect of airport operation and visitor spending throughout the local and state economy.

This impact includes the activity of suppliers to the businesses at the airport (including electricity, office supplies, aircraft parts, fuel for resale) and suppliers to the businesses serving visitors (including sheets, towels, wholesale food, etc.). It also includes the activity generated by the airport workers re-spending their income (clothes, groceries, entertainment, and other necessities.)

Employment (FTE jobs)

Direct	52
Indirect (visitor spending)	52
Induced (multiplier effect)	275

Total employment impact 379 jobs

Wage income/payroll

Direct	\$2.1 million
Indirect (visitor spending)	\$723 thousand
Induced (multiplier effect)	\$9.1million

Total payroll impact \$11.8 million

Economic output/sales

Direct	\$ 4.3 million
Indirect (visitor spending)	\$ 1.6 million
Induced (multiplier effect)	\$19 million

Total economic output \$24.9 million



Other benefits

The study also measured the public revenue generated at both the local and state level from airport and aviation related fees.

In 2000, Burlington Municipal Airport generated \$79,116 in revenue for the city from fuel flowage fees, aircraft storage, agricultural leases and local taxes on privately owned property.

The airport also generated \$20,299 in state revenue from general aviation fuel taxes and aircraft registration fees for a total of \$99,415 in direct local and state public revenue.

Public revenue – direct impact

City of Burlington	State	Total
\$79,116	\$20,299	\$99,415

Local economic impact

The results of the study indicate that Burlington Municipal Airport provided \$21.2 million in economic output, supported 312 jobs and contributed \$10 million in wage income to the local economy in 2000.

Contribution of Burlington Municipal Airport to the local economy

FTE jobs	Wage income/ payroll	Economic output/sales
312	\$10 million	\$21.2 million

Local and state economic impact

The activity at Burlington Municipal Airport in 2000 also generated an additional \$3.7 million in sales, 67 jobs and \$1.8 million in payroll to the state economy.

When combined with the local impact, the total contribution of Burlington Municipal Airport to the local and state economy in 2000 is \$24.9 million in sales, 379 jobs and \$11.8 million in wage income.

Contribution of Burlington Municipal Airport to the local and state economy

FTE jobs	Wage income/ payroll	Economic output/sales
379	\$11.8 million	\$24.9 million

